

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
TRANSPORTATION POLICY COMMITTEE MEETING

May 21, 2014  
MAG Office, Saguaro Room  
Phoenix, Arizona

MEMBERS ATTENDING

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| * Mayor Jackie Meck, Buckeye, Chair         | Joseph La Rue, State Transportation Board    |
| Councilmember Jack Sellers, Chandler,       | * Lt. Governor Stephen Roe Lewis, Gila River |
| Vice Chair                                  | Indian Community                             |
| F. Rockne Arnett, Citizens Transportation   | Mayor Georgia Lord, Goodyear                 |
| Oversight Committee                         | * Mayor Mark Mitchell, Tempe                 |
| * Dave Berry, Swift Transportation          | Garrett Newland, Macerich                    |
| # Jed Billings, FNF Construction            | Mayor Tom Rankin, Florence                   |
| # Mayor Bob Barrett, Peoria                 | # Mayor Marie Lopez Rogers, Avondale         |
| Councilmember Ben Cooper, Gilbert           | * Mayor Alex Finter, Mesa                    |
| Supervisor Clint Hickman, Maricopa County   | * Mayor Greg Stanton, Phoenix                |
| * Mark Killian, The Killian Company/Sunny   | Karrin Kunasek Taylor, DMB Properties        |
| Mesa, Inc.                                  | Mayor Jerry Weiers, Glendale                 |
| Mayor W. J. "Jim" Lane, Scottsdale          | Mayor Sharon Wolcott, Surprise               |
| * Not present                               |  |
| # Participated by telephone conference call | + Participated by videoconference call       |

1. Call to Order

The meeting of the Transportation Policy Committee (TPC) was called to order by Vice Chair Councilmember Jack Sellers, at 12:00 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Mayor Marie Lopez Rogers, Mayor Bob Barrett, and Mr. Jed Billings participated in the meeting by telephone.

Vice Chair Sellers announced that on May 14, 2014, the MAG Management Committee recommended approval of items #4B and #4C that were on today's agenda. He noted that the letter of interest from Mr. Heullmantel that was previously emailed was at each place and on the tables on each side of the room.

Vice Chair Sellers requested that members of the public fill out blue cards for Call to the Audience and yellow cards for consent or action items on the agenda. He stated that hearing assisted devices, parking garage validation, and transit tickets for those who purchased transit tickets to attend the meeting were available from staff.

3. Call to the Audience

Vice Chair Sellers stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Transportation Policy Committee requests an exception to this limit. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Vice Chair Sellers recognized public comment from Pat Vint, who said that he comes often to MAG meetings. He remarked that it seems citizens do not have rights or their concerns heeded. Mr. Vint commented on agenda item #6 by saying that light rail has been a disaster. He said that light rail will not improve traffic and it destroyed many businesses on 19<sup>th</sup> Avenue. Mr. Vint stated that anyone who works for a government agency downtown and lives within five miles of a light rail station should be forced to take light rail to work and pay the fare. He noted that the City of Phoenix provided their employees with passes. Mr. Vint remarked that every transportation system loses money. He stated that Comments From the Committee, agenda item #10, should include comments from citizens on the items that were presented at the meeting. Mr. Vint stated that nothing is accomplished by coming to MAG meetings or City of Phoenix meetings. He said that he made a mistake in 1952 when arrived at Luke Air Force Base and settled in Phoenix, which was a disaster. Mr. Vint indicated there is nothing worse than the City of Phoenix, which has no management. He said that the Mayor and the Council are a disaster and he was going to file charges against all of them. Mr. Vint's public comment period expired. Mr. Vint stated that an attorney represents the Mayor and Council. He stated that the timer does not go off when committee members speak, only when citizens speak. Vice Chair Sellers thanked Mr. Vint for his comments.

4. Approval of Consent Agenda

Vice Chair Sellers stated that agenda items #4A, #4B, and #4C were on the consent agenda.

He stated that public comment is provided for consent items, and noted that no public comment cards had been received.

Vice Chair Sellers asked members if they would like to remove any of the consent agenda items or have a presentation. No requests were noted.

Mayor Georgia Lord moved to recommend approval of agenda items #4A, #4B, and #4C on the consent agenda. Mayor Jim Lane seconded, and the motion carried unanimously.

4A. Approval of the February 19, 2014, Meeting Minutes

The Transportation Policy Committee, by consent, approved the February 19, 2014, meeting minutes.

4B. Project Changes - Amendment and Administrative Modification to the FY 2014-2018 MAG Transportation Improvement Program, 2014 Arterial Life Cycle Program, and as Appropriate to the 2035 Regional Transportation Plan

The Transportation Policy Committee, by consent, recommended approval of the amendments and administrative modifications to the FY 2014-2018 MAG Transportation Improvement Program, the 2014 Arterial Life Cycle Program, and as appropriate to the 2035 Regional Transportation Plan. The Fiscal Year (FY) 2014-2018 MAG Transportation Improvement Program (TIP) and 2035 Regional Transportation Plan were approved by the MAG Regional Council on January 29, 2014, and the second amendment to the TIP was approved on March 26, 2014. Since then, there is a need to modify projects in the programs. The project changes include modifications to the Highway and Transit programs and to projects in the Arterial Life Cycle Program. These modifications do not require a conformity determination. On April 24, 2014, the Transportation Review Committee recommended the changes as noted in the TRC columns of Tables A and B. On May 14, 2014, the MAG Management Committee recommended approval of the MC columns of Tables A and B.

4C. Revisions to the Arterial Life Cycle Program Policies and Procedures

The Transportation Policy Committee, by consent, recommended approval of the proposed revisions to the Arterial Life Cycle Program Policies and Procedures. The Arterial Life Cycle Program (ALCP) is the financial management tool for the arterial component of the Regional Transportation Plan. The program is guided by the ALCP Policies and Procedures (Policies), which were last approved by the MAG Regional Council on December 9, 2009. In April 2013, the Managers Working Group held a meeting to address project commitment and the program's annual development. There was general consensus that additional project commitment requirements should be put in place and that any program rebalancing caused by a deficit or surplus should first go to the Managers Working Group for direction. The ALCP Working Group was tasked to develop specific policy revisions to accomplish these ends. The ALCP Working Group met a total of seven times from August 2013 through February 2014. In addition to new project commitment requirements and documentation of the annual program development process, proposed revisions to the Policies include institution of programming principles, establishment of advancement priorities, clarification of eligible match for federally funded projects, and simplification of administrative requirements. These revisions were presented to the Managers Working Group on March 25, 2014. On April 24, 2014, the Transportation Review Committee recommended approval of the proposed revisions to the Arterial Life Cycle Program Policies and Procedures. On May 14, 2014, the MAG Management Committee recommended approval.

5. Introduction of a Near-Term Improvements Strategy for the Interstate 10/Interstate 17 Corridor

Mr. Bob Hazlett, MAG staff, provided a report on some near-term improvements that could be made to the 35-mile, north-south Interstate 10/Interstate 17 corridor between the Loop 202 Pecos Stack and the Loop 101 North Stack. He introduced project staff, Steve Beasley and Trent Kelso from the Arizona Department of Transportation (ADOT).

Mr. Hazlett described the area of reference as a 35-mile corridor representing the transportation “spine” of Metro Phoenix. He noted that this is the fifth presentation to the TPC on the Spine. Mr. Hazlett stated that \$1.47 billion is programmed in the Regional Transportation Plan for improving the corridor. He noted that 43 percent of all daily trips in the Valley use some portion of the Spine. Mr. Hazlett then explained that previous corridor and environmental impact statement studies for Interstate 10 and Interstate 17 were recommended for cancellation by ADOT and MAG with FHWA concurrence, because the improvements shown in the studies were too extensive and did not meet the regional goals for the corridor. In addition, conditions have changed and new multimodal ideas have been discussed.

Mr. Hazlett stated that a path forward was identified at a Spine workshop on October 31, 2012, attended by representatives from ADOT, FHWA, the cities of Chandler, Phoenix, and Tempe, Valley Metro/RPTA, and MAG. He said that the path forward includes identifying near-term improvements, developing a corridor master plan, conducting environmental studies, and implementing the design, construction and operation of the Spine.

Mr. Hazlett said that the Near Term Improvements Strategy is still under development and study by ADOT. He explained that the options under consideration include alternatives targeting bottlenecks and enhancing traffic operations. Mr. Hazlett emphasized that candidate projects must rapidly meet environmental requirements and a near-term construction timeframe. Mr. Hazlett noted that in his presentation he would be referencing “inbound” (heading into downtown Phoenix), and “outbound” (heading out of downtown Phoenix).

Mr. Hazlett stated that the Mini-Stack interchange on Interstate 10 between SR-51/SR-202L and US-60 is one of the most congested segments under study, particularly the high occupancy vehicle (HOV) lanes. He said that one potential option is striping another lane on the outbound side. Mr. Hazlett stated that sufficient pavement width exists to accommodate this safely. He noted that the lane could be an HOV lane or a general purpose lane, and added that this is still under study.

Mr. Hazlett then addressed some potential improvements to Interstate 10 between SR-143 and US-60. He noted that another potential improvement is implementing a ramp braid on the inbound segment to eliminate traffic weave and improve operations. Mr. Hazlett noted that sufficient right-of-way exists at the interchange to accommodate this. He noted that in the outbound direction between US-60 to SR-143, because a flyover cannot be accommodated, they are considering adding a collector/distributor road to improve the weave situation between the two freeways.

Mr. Hazlett stated that extra general purpose lanes inbound and outbound could be added on Interstate 10 between Baseline Road and SR-202L/Santan Freeway.

Mr. Hazlett stated that the best option for near term improvements to Interstate 17 without a master plan is to add auxiliary lanes between the interchanges in the segment from 16th Street to 19th Avenue. He remarked that adding any improvements outside this segment is difficult without a major environmental process. Mr. Hazlett also noted that work has begun on improvements to Interstate 17 at Pinnacle Peak and Happy Valley Roads. He noted that advancing the projects is important to the city of Phoenix.

Mr. Hazlett addressed improvements to traffic operations and ITS enhancements, in addition to improvements to the Freeway Management System. He said that congestion begins at approximately 1,600 vehicles per hour per lane, however, capacity for a freeway lane is approximately 2,200 vehicles per hour per lane. Mr. Hazlett stated that adding such improvements to traffic operations and ITS enhancements could add back that capacity. He pointed out the importance of coordinating ramp metering, which would be most helpful to Interstate 17. Mr. Hazlett stated that another strategy is to add a DPS officer at the Traffic Operations Center. He noted that the officer would be able to dispatch officers and their presence could help in the effort to stop wrong-way drivers.

Mr. Hazlett stated that next steps include the possible inclusion of potential projects in the Transportation Improvement Program this fall. He added that the corridor master plan project website, [www.spine.azmag.gov](http://www.spine.azmag.gov) will be operational in the next few weeks.

Vice Chair Sellers thanked Mr. Hazlett for his report and asked members if they had questions.

Mr. Garrett Newland asked the timeline for implementing short-term improvements. Mr. Hazlett replied that right now, they are in the programming process and they anticipate that the improvements could be eligible for construction in late 2016 or 2017. He added that they are trying to get the improvements done sooner than later.

Mayor Sharon Wolcott complimented Mr. Hazlett on his presentation. She asked for clarification if the Traffic Operations Center was unmanned and she also asked if there were gaps in coverage at the Traffic Operations Center. Mr. Hazlett clarified that the Traffic Operations Center is manned by ADOT staff, and they are suggesting co-locating DPS staff at the Traffic Operations Center as a near term improvement in order to improve traffic operations. He noted that new technology is constantly being rolled out in the freeway management system. Mr. Hazlett stated that there is a master plan for adding ITS measures to improve operations. He explained that the Traffic Operations Center, part of the statewide system, has jurisdiction over the region. Mr. Hazlett gave as an example the Traffic Operations Center issued information in Phoenix on a brush fire that occurred at mile marker 254 near Flagstaff so that travelers would be able to be informed that the road would be closed.

Mr. Eric Anderson, MAG staff, stated that the impact of having a DPS officer onsite at the Traffic Operations Center cannot be overestimated. He remarked that emergency response times could be reduced. Right now, the Traffic Operations Center contacts DPS when something happens on the system, and then DPS dispatches emergency personnel. If DPS was co-located in the Traffic

Operations Center, the officer could dispatch the appropriate personnel or equipment immediately and this would reduce response time. Mr. Anderson stated that they are enthusiastic about this option. He added that it would require reprogramming sales tax funds, which would be brought back through the MAG committee process.

Mayor Wolcott expressed that she thought this was a great suggestion and she was curious to see how the funding would work but was glad MAG could respond to needs. She commented on the tragedy of the recent wrong-way driver incidents and she hoped that this could be addressed by adding the DPS officer to the Traffic Operations Center.

Mr. Smith stated that a Spine meeting took place last week with state and federal partners. He noted that some of this could be eligible for federal funding through ADOT if it was a shared expense. Mr. Smith added that they will consult with ADOT on some funds that are not construction funds that might be used for a shared project with ADOT. He said that additional information could be brought forward at the June 2014 committee meetings.

Mr. Arnett referenced that there was adequate right-of-way for restriping and he asked if this meant the lanes would be narrower or additional pavement for increased capacity would be added. Mr. Hazlett replied that there is adequate pavement width, but restriping might result in narrower lanes, but not to a substandard width. Mr. Hazlett stated that some of the shoulder might also be taken, however, the shoulder width there is extra wide. He stated that the buffer might also be used, and in that case, there would be one solid line separating the HOV lane instead of two solid lines. Mr. Hazlett reported instances of freeways with narrower lanes whose crash rates are no different from freeways with wider lanes. He said that it would increase capacity.

Mr. Arnett asked for clarification that most of the improvements could be done without the acquisition of additional right-of-way. Mr. Hazlett replied yes. Mr. Arnett asked if additional right-of-way would be needed in the area of the apartments at the Broadway Curve. Mr. Hazlett replied that the ADOT Corridor Improvement Study identified this area as a hardship case for right-of-way acquisition. ADOT had already made an advance right-of-way acquisition in this area. Mr. Hazlett stated that no new right-of-way would need to be acquired for the inbound section, but some areas in the outbound section could be examined by ADOT's consultant to determine if any right-of-way needs to be acquired. He added that he thought acquisition of right-of-way in this area would be minimal.

Vice Chair Sellers expressed that he looked forward to future reports.

## 6. Overview of the Development of the Regional Transportation Plan

Mr. Eric Anderson, MAG staff, provided an update on the process for the development of a new regional transportation plan. Mr. Anderson noted that last year, presentations were provided regarding funding and whether the voters should be asked to extend or increase the sales tax for transportation. In addition, the process was laid out for the development of the next generation regional transportation plan.

Mr. Anderson referenced the public opinion telephone survey of 600-plus high efficacy voters presented to the TPC in January 2014 showed that this was not a good time to go to the voters as there is still uncertainty in the economy. Mr. Anderson stated that he would present an alternative approach for developing the next generation regional transportation plan.

Mr. Anderson stated that Moving Ahead for Progress in the 21st Century (MAP-21), the federal transportation legislation that became law in 2012, includes requirements for performance measurements and targets. He noted there is the possibility of financial penalties if an MPO does not achieve the performance targets it indicated. Mr. Anderson noted that the next generation regional transportation plan would need to respect what was done in Proposition 400 and incorporate the provisions of MAP-21.

Mr. Anderson described the year-long process when the current regional transportation plan was developed. He noted that the plan was performance based, however, the amount of system performance data available then is not as extensive as the amount of data available today, which could be used to put together a high performance transportation system. Mr. Anderson noted that a performance audit is required by the state in 2015.

Mr. Anderson stated that the MAP-21 outcomes are based on national goals. He said MAP-21 imposes requirements on MPOs to develop and report on performance measures and targets. Mr. Anderson added that MAP-21 expires on September 30, 2014, and some draft reauthorization proposals include provisions for “high performing MPOs” that requires an equitable and performance based approach to decision making. Mr. Anderson noted that an extra \$1 million to \$3 million annually could be available to high performance MPOs. He added that this is not a tremendous amount of money, but it could still provide some benefits.

Mr. Anderson reviewed some of the performance targets to be used in the development of the next generation regional transportation plan. He first addressed safety, by saying that MAG is in the process of revising its strategic safety plan. Mr. Anderson noted that this region is in the top segment of the number of pedestrian fatalities.

Mr. Anderson stated that another performance target is infrastructure condition. He noted that a presentation was given last year emphasizing the importance of infrastructure preservation. In addition, transit system preservation is also important. Mr. Anderson noted that people expressed in the public opinion survey that they felt preservation and maintenance of existing infrastructure was important.

Mr. Anderson stated that congestion reduction is another performance target. He said that reducing bottlenecks and providing better mobility and system reliability have been areas of major focus in the past. Mr. Anderson stated that a major objective is to restore reliability to travel times. He noted that ITS and DPS in the TOC as Mr. Hazlett described are elements that could contribute to improving system reliability.

Mr. Anderson stated that freight movement and economic vitality is another performance target. He said that there is a linkage between transportation and the economy, but it was not demonstrated extensively in the 2003 regional transportation plan. Mr. Anderson noted that providing the appropriate transportation to maintain global competitiveness is important.

Mr. Anderson stated that because we are not going to the ballot in the near term, we want to take more time on the performance measures, how they will be implemented, and how they tie back to the goals and objectives. Mr. Anderson suggested that pedestrian safety is not explicitly in the current regional transportation plan as a goal and objective and he suggested it should be added.

Mr. Anderson reviewed the next steps. He stated that progress on federal reauthorization legislation will continue to be monitored. The public involvement process to gauge public sentiment needs to be implemented as the goals and objectives are developed. Mr. Anderson stated that working groups consisting mainly of member agency and ADOT staff will be convened to guide the development of regional goals and objectives and the performance framework. He advised that the performance framework will require the heavy lifting on the technical level and their in-depth work would be brought back to the TPC. Mr. Anderson stated that another step is continuing coordination with ADOT and transit operators. Mr. Anderson stated that they anticipate having some draft regional goals and objectives and the performance framework by fall 2014.

Vice Chair Sellers thanked Mr. Anderson for his report and asked members if they had questions.

Mr. Dennis Smith stated that originally, the plan was to begin the process in 2016, but that has been postponed because polling showed public sentiment that this was not the most favorable time to go for a vote. He said that in addition, many cities already are maxed out on sales tax. Mr. Smith also noted that the Arizona COG and MPOs have been discussing the HURF and how to fund DPS. He stated that the region's transportation system – its freeways, transit, pedestrian modes – has needs, but with the economy still recovering, this is not the right time to approach the public.

Mr. Anderson noted that the sales tax has not recovered to 2007 levels, which peaked at \$391 million. He noted that the sales tax collection for this year is projected at \$361 million. Mr. Anderson said that the sales tax bottomed out at \$291 million.

Mayor Tom Rankin asked if discussion of public/private partnerships would be brought into the conversation. He remarked that the private sector has more funds available than the public sector.

Mr. Anderson replied that public/private partnerships have been discussed in past TPC meetings, and it is anticipated that public/private partnership opportunities in three areas would be discussed as part of the development of the next generation of the regional transportation plan. Mr. Anderson stated that the first area is High Occupancy Toll (HOT) lanes, also known as managed lanes, which provide single occupant vehicles the opportunity to use HOV lanes. He noted that this option would not generate much in the way of revenue, but could help restore system reliability.



Mr. Anderson stated that the second area in the discussion of public/private partnerships is identifying corridors that could be toll roads, which would require policy discussion.

Mr. Anderson stated that the third area in the discussion of public/private partnerships is privatization of some elements of the transportation system. He said that one element is technology, because advancements occur so frequently.

Mr. Smith remarked that we do need to look beyond traditional sources of funding. He indicated that one source to consider is value capture or tax increment financing. Mr. Smith advised that Arizona is the only state not utilizing this form of taxation. He suggested a White Paper that could be brought to the state policy makers. Mr. Smith also noted that the gasoline tax will not be effective for much longer, due to the fuel efficiency of vehicles. Raising the gas tax would be a temporary fix, and a financial mechanism for funding transportation is needed. He remarked that Salt Lake City is beating this region in growth and it has tools for funding that this region does not have.

Mayor Rankin commented that people attending the State Transportation Board meeting last week. He said that people in Coconino County were discussing a gas tax for transportation, but passing a tax in Pinal County would not be successful. Mayor Rankin remarked that he thought a change in philosophy at ADOT would be helpful. He said that planning is being done for the north/south corridor in Pinal County and for Interstate 11, which he thought are great opportunities for the private sector. Mayor Rankin commented that he thought it was time to push for public/private partnerships. We have already waited too long, and if we wait for the state or federal government, we will be waiting for years.

Mr. Smith remarked that managed lanes would be difficult even in the metro area. He expressed that he would like to see the modeling that would show traffic demand and make the north/south freeway or Interstate 11 happen. Mr. Smith stated that land along the corridor will increase in value and perhaps the landowners might provide some resources.

Mayor Rankin remarked that during the north/south freeway study there were preliminary agreements with landowners along the corridor regarding donating land then the discussion ceased. He noted that the property owners understood the highway would increase the value of their property, and he added that buying vacant property is a lot less expensive than purchasing developed property.

Supervisor Clint Hickman expressed his appreciation to Mr. Anderson for his report to the Food Alliance on the transportation system and revenues needed by taxpayers to have that system. He said that attendees included a significant number owners and representatives of fleets and chain stores, and he said he thought Mr. Anderson did a good job of explaining the difficulties of HURF funding. Supervisor Hickman reported that at the meeting, the representative of Crescent Crown in New Orleans expressed that Arizona had a lot to be proud of and people in this region can get around a lot faster than they can in other metro areas. He added that it will not stay that way forever if sufficient funding continues on the current scale. Supervisor Hickman suggested this

presentation be given to other business owner groups to increase understanding of the reasons for increases in tax rates.

Mr. Anderson thanked Supervisor Hickman for his kind words. He said that it is helpful to provide more frequent reports to business groups and engage them in discussions with elected officials. He said that the business community was active in the Proposition 400 process. Mr. Anderson stated that this region has not waited for the federal government, but proceeded ahead on its own. He stated that we have moved into a different era, and we need to be creative on how to fund large projects, and he added that a combination of sources – P3, land donations, federal funds, tax increment financing – will be needed. Mr. Anderson stated that an adequate sustainable funding source will be needed to move ahead on a project. He indicated that he thought the voters will say you need to make do with and maintain what you have.

Mr. Smith stated that the polling confirmed what Supervisor Hickman said about satisfaction with the highway system, and it is difficult to ask for funding from tax payers when things are going well. He said that transit, commuter and light rail need funding. Mr. Smith noted that going for an extension of the sales tax would likely need to take place closer to its expiration date, maybe around 2020. He suggested that work could take place in the meantime on DPS funding so as to avoid sweeps of HURF.

Vice Chair Sellers remarked that the region's future economic well-being is so dependent on this that he would like to move it forward as quickly as possible.

7. Vacancy in the Business Seat Representing Transit Interests on the Transportation Policy Committee

Mr. Dennis Smith reported on the vacancy in the business seat representing transit interests on the Transportation Policy Committee. He stated that Proposition 400, passed by the voters of Maricopa County in 2004, authorizes the President of the Senate and the Speaker of the House of Representatives to each appoint three business members to six-year terms on the Transportation Policy Committee (TPC). One of these business members must represent transit interests.

Mr. Smith stated that in January 2010, the Speaker of the House of Representatives appointed Mr. Ron Barnes of Total Transit as the TPC business member representing transit. On April 17, 2014, Mr. Barnes notified MAG that he would be resigning his seat on the TPC. Mr. Smith reported that State law provides that the Chairman of the Regional Planning Agency may submit names to the President and Speaker for consideration in the TPC appointments.

Mr. Smith stated that on April 24, 2014, the Chair of the MAG Regional Council sent a memorandum requesting the names and bios of individuals to be considered in the appointment be submitted to MAG by May 9, 2014. Three names were received: Mr. Nick Promponas, Mr. Stanton Sipes, and Mr. Charles Heullmantel. Mr. Smith noted that it is anticipated that the Speaker will appoint a member representing transit interests to fulfill the term of Mr. Barnes' term, which expires on December 31, 2016.

Vice Chair Sellers asked members if they had questions.

Mayor Sharon Wolcott recollected that the last time a vacancy of a business seat occurred, all of the names received were forwarded to the Speaker. She motioned to forward all three names to the MAG Regional Council. Mayor Lane seconded, and the motion passed unanimously.

8. Legislative Update

Ms. Teri Kennedy, MAG staff, provided an update on legislative issues of interest. Ms. Kennedy reported on the shortfall in the Highway Trust Fund, which has a long term issue and a short term issue. In the long term, the federal gasoline sales tax feeds the Highway Trust Fund continues to decline, and statewide, 75 percent of projects are federally funded. She noted that last year, this region received \$450 million in federal highway funding and federal transit funding.

Ms. Kennedy said that the short term issue is cash flow. She stated that the Highway Trust Fund should maintain a \$4 billion balance threshold in order to meet reimbursements. Ms. Kennedy advised that the Federal Highway Administration must take action to implement cash management measures if the threshold is not maintained and Congress has not taken action to infuse the fund with money that in the past has come from the General Fund. Ms. Kennedy pointed that dropping below the \$4 billion threshold is projected to occur at the end of July 2014.

Ms. Kennedy explained FHWA methods to address Highway Trust Fund cash flow should Congress not act: 1) Move from daily to weekly reimbursements (this would result in little to no effect on ADOT and local agencies). 2) Align reimbursements with Trust Fund deposits twice monthly (this could slow down requested reimbursements). 3) Make proportional payments to states based on available Trust Fund cash, for example, reimburse 60 percent of each request. Using a \$100 example as an initial request, FHWA would reimburse \$60. The remaining \$40 would be rolled over to the next reimbursement which would be at 60 percent. (This could methodology would be a major impact to state and local agencies and could result in contract amendments, project delays, etc.).

Ms. Kennedy stated that ADOT recommends that local agencies review their obligated federally funded projects, close out inactive projects, request reimbursement for expenses incurred, and move from quarterly requests to monthly requests for reimbursement.

Vice Chair Sellers thanked Ms. Kennedy for her presentation. No questions from the committee were noted.

9. Request for Future Agenda Items

Topics or issues of interest that the Transportation Policy Committee would like to have considered for discussion at a future meeting were requested.

10. Comments from the Committee

An opportunity was provided for Transportation Policy Committee members to present a brief summary of current events. The Transportation Policy Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

No comments from the committee were noted.

Adjournment

There being no further business, the meeting adjourned at 1:05 p.m.

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Chair

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Secretary